

GAZMARIAN MICHAEL C

Form 4

February 20, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
GAZMARIAN MICHAEL C

(Last) (First) (Middle)

1373 BOGGS DRIVE

(Street)

MOUNT AIRY, NC 27030

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

INSTEEL INDUSTRIES INC [IIN]

3. Date of Earliest Transaction
(Month/Day/Year)

02/19/2008

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director _____ 10% Owner
____X____ Officer (give title _____ Other (specify
below) below)

Treasurer

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	11/21/2007		G	V 1,000 D \$ 0	118,279	D	
Common Stock	11/29/2007		G	V 5,000 D \$ 0	113,279	D	
Common Stock	02/19/2008		A	6,166 A \$ 0	25,850.4882	I	Restricted

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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SEC 1474
(9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 11.15	02/19/2008 ⁽¹⁾		A		13,196		⁽¹⁾	02/19/2018	Common Stock	13,196
Incentive Stock Option (right to buy)	\$ 6.89							07/26/2006	07/26/2015	Common Stock	3,125
Incentive Stock Option (right to buy)	\$ 9.12							⁽¹⁾	03/04/2015	Common Stock	5,000
Incentive Stock Option (right to buy)	\$ 15.64							02/14/2007	02/14/2016	Common Stock	4,000
Incentive Stock Option (right to buy)	\$ 17.11							⁽¹⁾	02/13/2017	Common Stock	5,000
Incentive Stock Option (right to buy)	\$ 20.26							08/14/2007	08/14/2016	Common Stock	2,000
Incentive Stock Option (right to buy)	\$ 20.27							⁽¹⁾	08/13/2017	Common Stock	2,000
Non-Qualified Stock Option (right to buy)	\$ 17.11							⁽¹⁾	02/13/2017	Common Stock	8,000
Non-Qualified Stock Option (right to buy)	\$ 20.27							⁽¹⁾	08/13/2017	Common Stock	3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GAZMARIAN MICHAEL C 1373 BOGGS DRIVE MOUNT AIRY, NC 27030			Treasurer	

Signatures

By: James F. Petelle For: Michael C. Gazmarian	02/20/2008
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__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) options vest 1/3 annually beginning 1 year from grant date

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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